



## CITY OF RICHMOND

### Department of Planning & Development Review *Staff Report*

**Ord. No. 2019-028:** To declare surplus and to direct the sale of City-owned real estate located at 1900 Cool Lane and 2011 Mechanicsville Turnpike for nominal consideration to Virginia Supportive Housing for the purpose of facilitating the redevelopment thereof.

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**To:** City Planning Commission  
**From:** Land Use Administration  
**Date:** February 19, 2019

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#### **PETITIONER**

Jane C. Ferrara, Interim Director of Economic Development

#### **LOCATION**

1900 Cool Lane and 2011 Mechanicsville Turnpike

#### **PURPOSE**

To declare as surplus and authorize the conveyance of the City-owned property located at 1900 Cool Lane (Henrico County Tax Parcel #799-726-0294) AND 2011 Mechanicsville Turnpike (Tax Parcel # E0120146002)) from the City to Virginia Supportive Housing (the Purchaser).

#### **SUMMARY & RECOMMENDATION**

The properties located at 1900 Cool Lane and 2011 Mechanicsville Turnpike were operated as the former Seven Hills Nursing Home which was owned and managed by the Hospital Authority of Richmond. The nursing home ceased operation in 2008 and the property was conveyed to the City of Richmond in 2009. The properties have remained vacant and underutilized since that time. By conveying these properties to Virginia Supportive Housing the City will facilitate the creation of much needed affordable housing and permanent supportive housing for formerly homeless adults as well as stimulate private investment, job creation and economic development in the area.

In accordance with City Code Section 8-58 (which was amended by Ordinance No. 2017-069 on November 13, 2017) the Department of Economic Development is required to solicit competitive bids for the property prior to making a recommendation to sell the property and submitting an Ordinance to City Council requesting authorization for the CAO to sell a property. The City Attorney's Office has confirmed that this request to donate City property would likely be classified as an Unsolicited Offer and would therefore be subject to the City Code Section 8-58 requirements. However the City Attorney's office has advised that City Council may override the Code Section 8-58 procedures by ordinance if it wishes to proceed with the donation of this property to Virginia Supportive Housing.

City Administration, including the Department of Economic Development, recommends approval.

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## **FINDINGS OF FACT**

### **Site Description**

The 1900 Cool Lane parcel consists of approximately 5.34 acres of land and a 90,000 square foot building that was previously operated as a nursing home. The 2011 Mechanicsville Turnpike parcel consists of approximately 0.38 acres of land and is developed as a parking lot to serve the adjacent nursing home. The site was formerly the Seven Hill Nursing Home which was operated by the Hospital Authority of Richmond.

### **Proposed Use of the Property**

Virginia Supportive Housing is proposing to redevelop the properties with high quality, much needed affordable housing and permanent supportive housing for formerly homeless adults. They propose up to 105 multi-family dwelling units within the existing building with a unit mix that will include zero, one and two-bedroom units. Virginia Supportive Housing has initiated an application to the Henrico County Board of Supervisors to rezone the 1900 Cool Lane parcel from A-1 to R-6 (General Residence) in order to allow their proposed use. The offeror hopes to complete the rezoning of the 1900 Cool Lane parcel by February 2019 and plans to file for VHDA Low Income Housing Tax Credits in March 2019. The offeror intends to complete construction of the property improvements by December 2021 and they project a total development cost of \$30 million. The last time the building was occupied was January 14, 2008 and the building has experienced significant deterioration since that time due to vandalism and deferred maintenance of the property. Virginia Supportive Housing is asking the City to donate the 2 parcels to them at no cost to the offeror. The total 2018 Henrico County Assessment for the 1900 Cool Lane parcel including land and improvements is \$2,754,500. The total 2019 City of Richmond Assessment for the 2011 Mechanicsville Turnpike parcel including land and improvements is \$172,000.

### **Master Plan**

The City's current Master Plan designates this area as Community Commercial. Primary uses include office, retail, personal service and other commercial and service uses, intended to provide the shopping and service needs of residents of a number of nearby neighborhoods or a section of the City. As compared to Neighborhood Commercial, this category includes a broader range of uses of greater scale and intensity, with greater vehicular access and orientation, but that are also compatible with nearby residential areas. Typical zoning classifications that may accommodate this land use category: B-2, UB, and UB-2.

### **Zoning**

The existing zoning of the property is B-2 (Community Business) within the City for the 0.38 acre parcel and A-1 (Agricultural District) within Henrico County for the 5.34 acre parcel.

### **Surrounding Area**

The surrounding area is comprised of a mix of multi-family residential and business uses.

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